

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Henkel Consumer Adhesives Inc.

Ohio Manufacturing Extension Partnership

Streamlined Business Processes Projected To Increase Sales by \$1.5 Million at Henkel Consumer Adhesives

Client Profile:

Henkel Consumer Adhesives, formerly Manco, Inc., is located in Avon, OH, and employs 410 people. Perhaps best known for their Duck brand duct tape, Henkel offers a wide range of products under their Duck, LePage and Loctite brands. These items are sold by retailing giants such as Wal-Mart and Lowes.

Situation:

Henkel had traditionally struggled with the set-up of master data in its ERP system when introducing new products and managing the change of existing items. Key attributes of a product's make-up, including labeling, graphics, packaging, manufacturing, and logistics, all contribute to the individual identity of Henkel's thousands of items, driving downstream processes. Many different functional areas formerly input data into the system, where hundreds of items were in the set-up process at the same time, all on different schedules, with different priorities. With so many hands in the pot and so many input variables, the system lacked control. This, in turn, stressed Henkel's agility in the marketplace and caused gnashing of teeth internally. Henkel needed a more streamlined business process, with increased flexibility, consistency, and accuracy that allowed better grasp of project priorities, and reduced time to market. Henkel asked the lean office experts at CAMP, an office in Ohio affiliated with the Ohio Manufacturing Extension Partnership (OMEP), a NIST MEP network affiliate, to facilitate a kaizen event to streamline their item set-up process.

Solution:

CAMP and Henkel developed a current state map of the business process, brainstormed ideas to reinvent the process, and created a future state map of how an optimum item set-up system could operate. As a result, Henkel established its Accelerated Project Management (APM) group. This centralized hub for all item set-up is staffed by six full-time, dedicated personnel. The APM team develops data for each project in a standard format, assigns resources and timing, facilitates priorities, and administers all data management.

In addition they created a two-phase process, much like a mini stage-gate system, to manage movement of items through the set-up process. In the past, data sets were created for many products that never made it to the marketplace, clogging-up the system. The two-phase process significantly reduces unnecessary data population and provides much better visibility across the organization of the highest priority items.

Results:

* Increased annual sales of \$1.5 million projected.

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

- * Reduced time to market for new products.
- * Improved employee morale and job satisfaction with less finger-pointing.

Testimonial:

"CAMP was the catalyst that brought discipline and credibility to process change and standardization within Henkel. If it had just been Henkel people working on it, I don't believe it would have been as easy a sell internally. The CAMP Lean Office expertise drove people to say, "This is really a well-thought out solution."

Chris Latkovic, Director of Marketing